



## Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

ering of all races and nations. Now I sympathize with the desire of Russia to get to warm water. The whole policy of the past century has been dictated by that. I do not think that Russian policy has been dictated by a desire for conquest, it has been dictated by a desire for free access to warm water. It may astonish you to know that of the 20,000 miles of seacoast in Europe, Russia, which has half of the territory of Europe, has less than 2,000 of those miles, and a large portion of those 2,000 miles are icebound in winter. So I sympathize with the desire of Russia to get to warmer water.

The great dislike for Russia maintained by Scandinavia, by Norway and Sweden, has always been because of the fear that in her desire to get to warm water, she would cross them and annex them as she did Finland.

But if Russia is put in control of Constantinople, the same sack in which she was held in the past could be maintained for other states. If Russia is put in Constantinople and can at any time shut the straits, as Turkey has shut the straits to her several times, it means that the commerce of Roumania and Bulgaria, too, can be strangled.

Hence unless those two principles, one of nationality and the other of economic access for freedom of commerce, are going to be the bases of the Balkan settlement, the present war will only be a prelude to another war.

## THE ECONOMIC FACTORS IN AN ENDURING PEACE

By E. E. PRATT, PH.D.,

Chief, Bureau of Foreign and Domestic Commerce, Washington, D. C.

The economic center of the present conflict is the struggle between Germany and the United Kingdom. These two countries represent essentially different commercial and economic systems. Great Britain, confident in the excellence of its products and in the retention of long-held markets, was slow to introduce labor-saving devices, large-scale production and efficiency methods, and was gradually finding its wares displaced, even in its own markets, by the products of less conservative nations. Germany, keenly alive to the opportunity thus created, set out to invade practically every great market of the world, with the help of the most modern appliances, the most modern methods of utilizing labor, and a very

practical, thorough and comprehensive system of commercial education. Even this educational system became a source of friction between England and Germany through the influx of young Germans in England to take up clerkships there as a part of their training.

England had the advantage of almost unlimited possibilities of expansion in her colonies. Germany was poor in colonies and found most of the world's surface preëmpted. But she solved the problem of expansion by making her colonization economic rather than national. And the German settlements in the developing countries of the world have been perhaps as effective in extending the influence and increasing the trade of the mother country as have the great colonies of England.

Besides the sharply defined commercial rivalry of England and Germany, the war had minor causes of an economic nature—Russia's reaching out for an ice-free port, Japan's desire for a freer hand and a larger trade in China, and Germany's dream of obtaining economic jurisdiction over the near east. All these factors, which together account for the great war in its economic aspect, may also help to determine the economic elements in an enduring peace.

The statement was often made before the war broke out in Europe that nations are economically interdependent, and that statement is truer today, perhaps, than ever before. Germany's position now is a forced attempt at economic independence, and if she is losing out, it is simply because such a position at present is absolutely untenable.

For some of the materials essential to the conduct of the war, almost all the world's supply is derived from two or three countries. Rubber is produced extensively only in Brazil, the Straits Settlements and the East Indies; nitrates, only in Chile; tin, only in Malaysia and Bolivia; platinum, only in Russia and Colombia; manganese, only in Russia, India and Brazil; diamonds, only in Africa; and jute, only in India. Sulphuric acid, which is essential in the manufacture of practically all the high explosives, can be obtained only from sulphur and from pyrite. Sulphur is produced in commercial quantities only in Sicily, the United States and Japan, and almost one third of the world's pyrite supply comes from Spain. Over half of the world's tungsten is produced in Burma, Portugal and the United States.

All these very essential materials, therefore, are controlled to

a considerable and in some cases to a very large extent by a very small number of producing countries. Before the war, most of us perhaps were alive to the advantages of an export trade, but it must be counted as one of the lessons of the war that our economic life and the export trade itself are dependent, much more than had been realized, on our import trade.

The economic factors responsible for the war and the economic interdependence of the nations of the world, upon which the war has thrown new light, point the way toward the conditions of an enduring peace. In the first place, each nation must have access to raw materials and markets for its products in order to insure industrial development along the lines for which it is best suited. Secondly, there must be no preferential tariffs. Before the war Russia was dependent upon Germany to a very considerable degree as a market not only for rye and wheat but for mineral products as well; and German influence had permeated Russian trade and industry. Now if Great Britain establishes a tariff on foodstuffs and raw materials and gives a preference to colonial goods in return for colonial tariff preferences to British manufactures, Russia will be forced again to sell her wheat to Germany. It is absolutely necessary, therefore, that England's markets, especially for foodstuffs, be opened to Russia and that British and American capital be invested in Russian industries. The United States also will expect freer entrance for its products into certain foreign markets. Discrimination against American goods, as now practised by France and Canada, cannot safely continue.

Commercial treaties are not sufficient to prevent disagreements. In some cases they even create difficulties for third parties, if not for those directly concerned; and their shortcomings emphasize the need of broader international agreements on many subjects that now cause disputes among nations. There is opportunity for this country to adopt a vigorous policy on international agreements with regard to the parcel post, patents and trade-marks, commercial statistics, commercial travelers, customs and sanitary regulations, and many similar matters, which could be satisfactorily handled by this method.

There might also be uniform shipping rules. At present the rebates given by certain steamship companies furnish one of the standing causes of disputes in the shipping world; but no one nation will force its steamship companies to eliminate rebates as long as

steamship companies of other nations are free to offer them. Such difficulties might, however, be adjusted by an international agreement similar to the Brussels Sugar Convention. International control might likewise settle the long-continued controversies over points of strategic commercial importance, such as the Dardanelles and the railroad across Afghanistan or through Bagdad.

One of the strongest weapons of the proposed League to Enforce Peace would be its control of a certain number of raw materials, through the fact that members of the league produce the greater part of the world's supply. If, for example, a league among the nations thus had control of certain of the essential raw materials to which I have directed your attention and could, in the event of war, sufficiently curtail the shipment to any country of those essential raw materials, it would be a question of only a few weeks or a few months before the nation opposing the league would be forced into peace.

I have attempted rather to meet the subject with suggestions than to cover it in any comprehensive or detailed way. Broadly speaking, the subject reduces itself to one consideration. The present war is largely an economic struggle. The disputes of the future, whether or not they eventuate in war, will have their origin, to a large degree, in international trade problems. We must bend all our efforts, therefore, to reducing the points of conflict in trade and commerce, if we are to hope for an enduring peace.

## INTERNATIONAL FREEDOM OF THE PRESS ESSENTIAL TO A DURABLE PEACE

By DAVID LAWRENCE,

Washington correspondent of *The New York Evening Post*.

I write this from a war capital—only lately a city of peace. For two and a half years we have been a neutral nation. Suddenly we have become a belligerent. In that transition from a state of neutrality to a state of belligerency lies the key to the problem of a durable peace. I do not wish to be misunderstood in anything I may say here today as conveying disappointment that the United States has entered the war against Germany for no man can be disappointed with that which is right, painful or distasteful as that may be. But I am disappointed that the United States somehow lacked